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The Unemployment Situation: City of Boston, Metro Boston, and Other Large Metropolitan Areas

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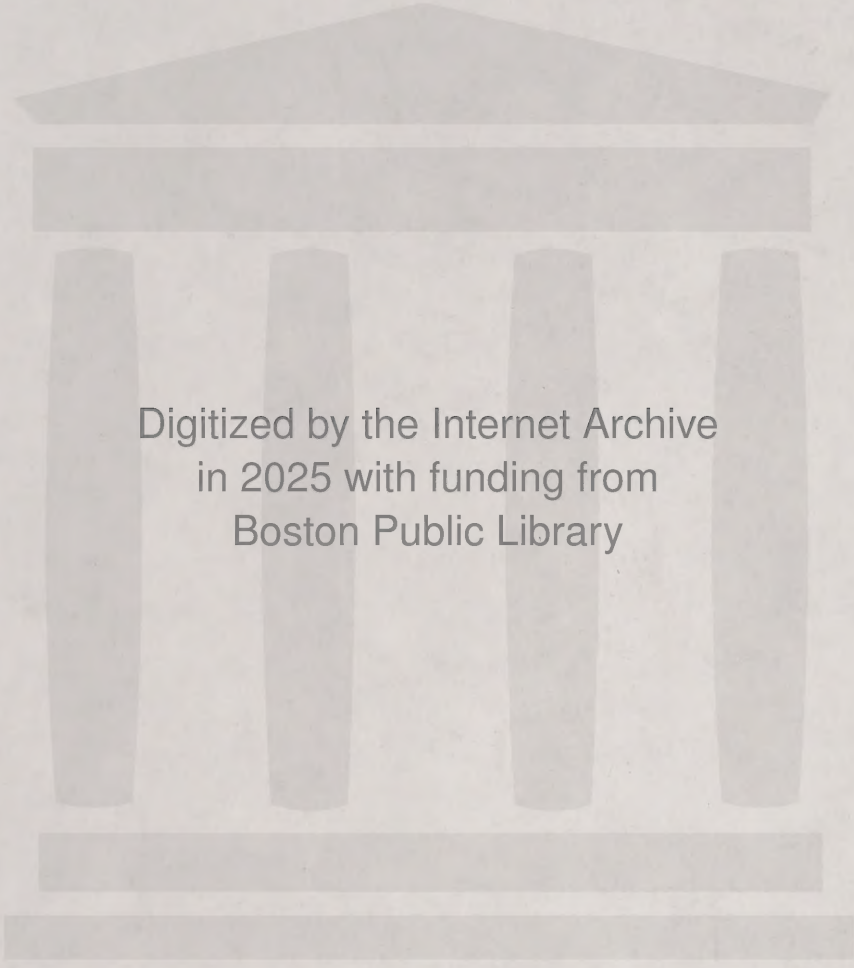
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THE UNEMPLOYMENT SITUATION:
City of Boston, Metro Boston, and Other Large Metropolitan Areas

This paper presents the current unemployment situation in Boston and comparative areas, based on the latest data from the U.S. Department of Labor, Bureau of Labor Statistics, and the Massachusetts Department of Employment and Training in August 1989.

The Boston area's current unemployment rate continues to be low compared to most large metropolitan areas in the nation, reflecting a healthy economy as well as a slow-growing labor force. The highlights of the three attached tables are:

- The unemployment rate for the City of Boston was 4.0 percent in June, up slightly from 3.8 percent in June of 1988. See Table 1. The national rate of 5.5 percent was more than a third higher than the Boston rate. Metropolitan Boston and Massachusetts posted even lower unemployment rates for June 1989 at 3.4 percent and 3.9 percent, respectively.

- The long term trend of unemployment in the City of Boston has been downward since 1975, as illustrated in Figure 1, when the local unemployment rate was 12.8 percent.

- The unemployment rate in the city of Boston has been consistently lower than the national average since 1980, exhibiting a better than average performance since that time (see Table 1, Figure 1, and Figure 2). The drop has been relatively sharp since 1982.

- In comparison with other major metropolitan areas, Boston has registered one of the lowest unemployment rates consistently since 1984. In 1988, the Boston area's 2.8 percent unemployment rate was the lowest among the 35 largest metropolitan areas. See Tables 2 and 3. In June 1989, the Boston area's rate, 3.4 percent, was lower than all areas except Indianapolis and Washington, D.C.

Table 1. Unemployment Rates for Boston, the Metro Area, the State New England, and the U.S.A., Selected Years, 1970 to 1988 and Latest Monthly Data *

(in percent)

Year	Boston City	Boston Metro Area	Massachusetts	New England	United States
1970	4.9	4.0	4.6	4.9	4.9
1975	12.8	10.5	11.2	10.3	8.5
1977	9.5	7.8	8.1	7.6	7.0
1979	6.5	5.2	5.5	5.4	5.8
1980	6.1	5.0	5.6	5.9	7.1
1981	7.0	5.7	6.3	6.3	7.6
1982	9.1	6.7	7.9	7.8	9.7
1983	7.8	5.8	6.9	6.8	9.6
1984	5.5	4.1	4.8	4.9	7.1
1985	4.5	3.4	3.9	4.4	7.2
1986	4.4	3.3	3.8	3.9	7.0
1987	3.2	2.7	3.2	3.3	6.2
1988	3.3	2.8	3.3	3.1	5.5
June 1988	3.8	3.0	3.4	3.2	5.5
June 1989	4.0	3.4	3.9	3.7	5.5

* Monthly data are not seasonally adjusted.

Sources: U.S. Bureau of Labor Statistics, News Releases, August 1989; Massachusetts Department of Employment and Training, Research Department, August 1989.

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Table 2. Unemployment Rates, Annual Averages for Selected Years, 1980-1988 and Latest Monthly Data, Major Metropolitan Areas, City of Boston, and U.S.

Metropolitan Area	Annual Averages							June 1988	June 1989
	1980	1982	1984	1985	1986	1987	1988		
Boston	5.2	6.7	4.1	3.4	3.3	2.7	2.8	3.0	3.4
New York	8.2	8.9	8.1	7.4	6.7	5.3	4.4	3.6	5.0
Washington, D.C.	5.0	5.8	4.2	3.9	3.9	3.2	2.9	2.9	3.0
Chicago	8.3	10.6	8.4	8.3	7.4	6.7	6.2	6.6	5.4
Atlanta	6.0	6.4	4.8	5.0	4.6	4.7	5.1	5.5	5.7
Dallas/1	4.4	5.7	3.6	4.7	5.7	6.3	5.8	6.5	5.8
Houston	5.2	6.5	6.7	7.8	10.3	9.0	6.8	7.7	6.3
Denver/2	5.0	6.6	4.8	5.0	6.6	7.2	5.9	6.0	6.3
Los Angeles	6.6	9.3	7.9	7.0	6.7	5.9	4.9	5.1	5.0
San Francisco/3	6.3	8.2	5.3	4.9	4.5	3.9	3.6	3.8	3.7
City of Boston	6.1	9.1	5.5	4.5	4.4	3.2	3.3	3.8	4.0
United States	7.1	9.7	7.5	7.2	6.9	6.2	5.5	5.5	5.5

Notes:

1/ Included Fort Worth area during 1980-1984.
2/ Included Boulder area during 1980-1984.
3/ Included Oakland area during 1980-1984.

Monthly data are not seasonally adjusted.

Sources: U.S. Department of Labor, Bureau of Labor Statistics, "News: State and Metropolitan Area Employment and Unemployment, June 1989," August 15, 1989; "Geographic Profile of Employment and Unemployment," various years.

Boston city data from the Massachusetts Department of Employment and Training, Research Department.

Table 3. Unemployment Rates in the Nation's Largest Metropolitan Areas, 1986-1988 Annual Averages, and Latest Monthly Data *

(in percent)

Metropolitan Area	Annual Average			June 1988	June 1989
	1986	1987	1988		
Boston	3.3	2.7	2.8	3.0	3.4
New York	7.4	5.3	4.4	3.6	5.0
Philadelphia	5.2	4.4	4.1	4.7	4.0
Baltimore	5.2	4.7	4.9	5.2	4.8
Washington, D.C.	3.5	3.2	2.9	2.9	3.0
Buffalo	7.2	5.5	5.0	4.0	5.5
Pittsburgh	8.0	6.7	5.8	6.1	4.7
Cleveland	7.5	6.3	5.5	5.7	5.0
Cincinnati	6.5	5.9	5.1	5.8	5.0
Columbus	6.1	5.4	4.9	4.9	5.0
Detroit	8.2	8.1	7.7	7.3	7.6
Milwaukee	6.1	5.3	3.8	3.6	4.4
Chicago	7.4	6.7	6.2	6.6	5.4
Indianapolis	5.1	5.2	4.6	3.9	2.8
Minn.-St.Paul	4.2	4.4	3.4	3.5	4.4
St.Louis	7.0	6.6	6.0	6.1	5.5
Kansas City	4.6	5.6	5.3	5.5	5.5
Memphis	6.8	5.7	5.1	6.5	5.3
Nashville	4.9	4.4	4.4	5.8	4.2
Atlanta	4.6	4.7	5.1	5.5	5.7
Jacksonville	5.4	5.3	5.3	5.1	6.2
New Orleans	10.9	10.1	9.5	10.1	8.6
Oklahoma City	6.7	6.0	5.5	5.9	4.6
Dallas	5.7	6.3	5.8	6.5	5.8
Fort Worth-Arlington	6.5	6.9	6.2	7.0	5.9
El Paso	11.5	10.7	10.7	11.9	10.9
Houston	10.3	9.0	6.8	7.7	6.3
San Antonio	7.3	7.9	7.8	8.9	7.9
Denver	6.6	7.2	5.9	6.0	6.3
Phoenix	5.6	5.2	5.1	5.6	4.5
San Diego	5.0	4.5	4.3	4.5	4.3
Los Angeles	6.7	5.9	4.9	5.1	5.0
San Jose	5.8	4.5	4.0	4.2	4.3
San Francisco	4.5	3.9	3.6	3.8	3.7
Seattle	6.5	6.0	4.8	5.1	4.4
United States	6.9	6.2	5.5	5.5	5.5

* Monthly rates are not seasonally adjusted.

Source: U.S. Department of Labor, Bureau of Labor Statistics, News Release, August 15, 1989, and printout August 1989.

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